GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA

UNSTARRED QUESTION NO:358
ANSWERED ON:21.11.2000
DEVELOPMENT OF RURAL INFRASTRUCTURE
MOINUL HASSAN AHAMED

Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether the Government have allocated resources collected from the imposition of cess on petrol and diesel for the purpose of development of rural infrastructure in the country;

(b) if so, the detail in this regard;

(c) whether the said amount would constitute half of the total amount of funds raised in this manner; and

(d) the distribution of such resources during 1999-2000 and 2000-2001?

Answer

MINISTER OF RURAL DEVELOPMENT (SHRI M. VENKAIAH NAIDU)

(a) to (d): Consequent to the promulgation of an Ordinance on 1st November, 2000 to give statutory effect to revamp the Central Road Fund, 50% of the Cess on High-Speed Diesel (HSD) oil has been earmarked for development of Rural RoadsThe remaining 50% of the Cess on HSD and the entire Cess collected on Petrol is to be allocated as under:

(i) 57.5% for the development and maintenance of National Highways

(ii) 12.5% for the construction of road under/over bridges and safety works at unmanned railway crossing; and

(iii) Balance 30% on development and maintenance of State Roads.

2. A sum of Rs.5,800 crore has been provided in the Union Budget, 2000-2001, out ofCess on petrol and diesel, of which Rs.2500 crore has been provided for Rural Roads.